STATE OF KANSAS

Kansas Health Policy Authority

Notice of Hearing on Proposed Administrative Regulations to be effective 15 days after publication in the Kansas Register

A public hearing will be conducted at 11:00 a.m., on Tuesday, July 10, 2007 in the Landon State Office Building, Room 900-N, 900 S.W. Jackson Street, Topeka, Kansas 66612-1220, to consider the adoption of amended changes to existing rules and regulations on a permanent basis effective 15 days after publication in the Kansas Register. Chapter 187, 2005 Session Laws of Kansas transferred specific powers, duties, and regulatory authority from the Department of Social and Rehabilitation Services to the Division of Health Policy and Finance (DHPF) within the Department of Administration, and then transferred those powers, duties and regulatory authority to the Kansas Health Policy Authority (KHPA), effective July 1, 2006. The statutes provide that KHPA will be the single state agency for Medicaid, Medikan and HealthWave in Kansas. Telephone conference is not available.

This 30-day notice of the public hearing shall constitute a public comment period for the proposed regulation as stated in K.S.A. 2006 Supp. 77-421(a)(3). All interested parties may submit written comments before the hearing to Rita Haverkamp, Kansas Health Policy Authority, Landon State Office Building, 900 S.W. Jackson, Room 900-N, Topeka, Kansas 66612-1220, or by e-mail at Rita.Haverkamp@khpa.ks.gov. At the hearing, the Kansas Health Policy Authority will give all interested parties a reasonable opportunity to present their views, but it may be necessary to request each participant to limit any oral presentation to five minutes. You may obtain a copy of the regulation and the economic impact statement by contacting Rita Haverkamp at (785) 296-5107 or the KHPA Website at www.khpa.ks.gov.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulation and economic impact statement in an accessible format. Please make any request for accommodation to participate in the hearing at least five working days before the hearing by contacting Rita Haverkamp at (785) 296-5107 or by calling the Kansas Relay Center at 1-800-766-3777.

A summary of the regulation and the economic impact follows:

Article 5.–PROVIDER PARTICIPATION, SCOPE OF SERVICES, AND REIMBURSEMENT FOR THE MEDICAID (MEDICAL ASSISTANCE) PROGRAM

129-5-1. Prior Authorization. The following changes will be made to Regulation 129-5-1 regarding Prior Authorization of pharmaceutical products:

These therapeutic classes of drugs have been evaluated by the Preferred Drug List Advisory Committee and found to be clinically equivalent. To ensure the most clinically appropriate utilization of these drugs in the most cost-effective manner, the following drugs will require prior authorization:

- Ace inhibitors: quinapril
- Short acting beta 2 inhaled agonists: metaproterenol inhaler, levalbuterol solution, albuterol solution 0.021% and 0.042%
- Muscle relaxant antispasticity agents: dantrolene
- Anti-diabetic drugs: Fortamet®, Glumetza®

The following drugs are being removed from prior authorization because the drugs in these therapeutic classes have been found to be clinically equivalent by the Preferred Drug List Advisory Board and they are now cost-effective:

 Anti-diabetic drugs: glimepiride, glyburide/metformin, metformin extended release generic formulations • Ace inhibitors: fosinopril

• Beta-Blockers: nadolol, timolol

• Sedative-hypnotics: zolpidem generic formulations

• Statins: rosuvastatin

• Skeletal muscle relaxants: methocarbamol, methocarbamol/aspirin

• Muscle relaxant – antispasticity agents: tizanidine tablet formulation

The following drugs will require prior authorization to ensure appropriate utilization

because of safety issues (black box warning or FDA Advisory notices) and or abuse/potential:

• Antibiotic: telithromycin

• Antiemetic: nabilone

<u>Federal Mandate</u>: This regulation change is not federally mandated.

Economic Impact: It is expected that this change will reduce Medicaid expenditures by

\$544,000 SGF and \$816,000 FFP annually

Bearer of Cost: The cost of reviewing Prior Authorization (PA) will be borne by KHPA. If a

Medicaid consumer wishes to have a drug despite a PA denial the cost will be borne by the

consumer.

<u>Affected Parties</u>: Medicaid consumers, pharmacists and the Medicaid agency.

Other Methods: There were no other appropriate methods for the desired outcome.

Marcia Nielsen, PhD, MPH Executive Director of the Kansas Health Policy Authority